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TAGS: PREL PGOV PM

SUBJECT: PANAMA: BALBINA TELLS AMBASSADOR "I DO NOT WANT

TO RU FOR PRESIDENT"

Classified By: Ambassador William A. Eaton. Reasons: 1.4 (b) and (d).

Summary

 $\underline{\mbox{1}}\mbox{1.}$ (C) "I do not want to run for president," Minister of Housing -- and widely presumed governing Revolutionary Democratic Party (PRD) presidential aspirant -- Balbina Herrera emphatically stated several times to Ambassador during their one-on-one January 24 lunch. She stood steadfast in her support for Panama City Mayor Juan Carlos Navarro to be the PRD's presidential nominee noting that he had worked hard to "deserve the nomination" and that she would "not go back on her word to support Juan Carlos. Reviewing the January 20 PRD election of delegates, Herrera asserted confidently that she would "crush" former President Ernesto "El Toro" Perez Balladares March 9 when the delegates meet to elect the PRD president. Several times during the conversation, Herrera inquired about the degree to which U.S. fugitive Pedro Miguel Gonzalez's election as president of the National Assembly had damaged bilateral relations and the PRD's relations with the U.S. Concerning possible Venezuelan interference in Panama's political season, Herrera assured, "Nobody is stupid enough to take Chavez's money. Anybody who did would be dead politically in Panama." Finally, Herrera, acknowledging that she was viewed with some suspicion in certain quarters in the U.S., said that she wished to travel to the U.S., something that this Embassy would support. End summary.

"I'm running for mayor."

12. (C) "I do not want to run for president," Herrera asserted -- repeatedly -- to Ambassador. "I am running for mayor." Pressed by Ambassador who noted that many found that very hard to believe, Herrera responded that, while she intended to eventually to run for president, she was not yet ready to do so. "I have to prove that I can run a government. Experience running a city would help me prove that," she said. Furthermore, she said that she needed to build bridges to the "Club Union set," a reference to Panama's sanctum sanctorum for the wealthy, privileged and elite, and with the "Paitilla crowd," a reference to one of Panama City's upper class neighborhoods. Pressed by Ambassador as to whether she would allow herself to be drafted, Herrera said, "No. While he may not be the strongest presidential candidate, Juan Carlos (Navarro) will have the strongest party backing him. "I do not want to break my word. I promised Juan Carlos (Navarro) that I would support him. It would be bad for

party unity to break that promise. I want his support when I run for president in 2014."

"I will crush 'El Toro.'"

13. (C) "I will crush 'El Toro'" in the race for PRD president, Herrera predicted. She asserted that former President Ernest "El Toro" Perez Balladares was weak in the party and that his time had passed. Sharing a delegate nose count with Ambassador, Herrera asserted that Perez Balladares only had the support of 4.8 percent of delegates whereas she assessed that she benefited from the support of 80.6 percent. Asked how she "knew" what her base of support was, Herrera said, "This is my party. I know these delegates. I know where they are." Noting that the PRD was a broad party that encompasses an impressive array of political opinion, Herrera asserted that the party's centrists (e.g., President Martin Torrijos) still controlled the party. "The electorate is solidly centrist or left of center and that's exactly where the core of the PRD lies."

"Pedro Miguel (Gonzalez) will not be re-elected."

14. (C) National Assembly President "Pedro Miguel (Gonzalez) will not be re-elected," Herrera asserted. Noting that similar assurances had been shared with the USG before, Herrera said, "No. He does not have the votes or political support to prevail again." Throughout the course of conversation, Herrera returned to the topic of this U.S. fugitive sought on an indictment in connection with the 1992

murder of a U.S. serviceman, stating several times, "I am concerned about the damage that Pedro Miguel did to the bilateral relationship and the PRD's relationship with the U.S." Ambassador stated that the bilateral relationship was stronger than the impact of one individual, that the U.S. continued to work well and closely with the Torrijos Administration, and that the Embassy continued to foster close relations with the PRD.

"Nobody is stupid enough to take Chavez's money."

¶5. (C) "Nobody is stupid enough to take Chavez's money," Herrera declared. "Anybody who did would be dead politically in Panama." Chavez did not have any natural allies or constituencies in Panama, Herrera asserted. "The Bolivarian Circles in Panama are a joke." Acknowledging that the Venezuelans were "mucking around," Herrera said that Venezuela would not have any significant political influence in Panama's elections.

"I want to visit the U.S."

16. (C) Aware that she was viewed with some suspicion in the U.S., Herrera said that she would very much like to travel to the U.S. Furthermore, she said that she wanted to have closer and more frequent contact with the Embassy and the Ambassador.

Comment

¶7. (C) At the popular PRD hang-out Restaurante Angel, Herrera reveled in the one-on-one attention accorded her by the Ambassador. Packed with political operators, word of their luncheon quickly seeped out and both Ambassador and Herrera were confronted by the press on departure. Sotto voce, a surprised Herrera asked one journalist how they found out about the lunch. Regardless of what Herrera's true

political intentions are, one thing is clear: Herrera will be a significant force not only within the PRD, but also in Panama. The U.S. needs to get to know this politician better. While post will actively continue to cultivate Herrera, post also believes that there would be tremendous value in facilitating her travel to Washington as well. EATON

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